

Quarterly Financial Review (August '09)

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Agenda



- Financial Overview
- American Recovery and Reinvestment Act of 2009 (ARRA) Overview
- OMPP Accomplishments SFY 2009
- OMPP Strategic Initiatives SFY 2010

Quarterly Financial Review



Medicaid Financials

Total Medicaid - Detail Summary

June-09
5 Payment Days in Month

	SFY 2009 Year to Date		Variance
	Actual Spent	Budget	
Expenditures			
Division Program Services			
Nursing Facility	1,063,287,751	1,079,138,089	15,850,338
Hospice	61,040,370	57,503,348	(3,537,023)
Waiver Services			
Aged and Disabled Waiver	84,372,418	91,422,812	7,050,394
MFP Demonstration Grant	0	2,411,714	2,411,714
TBI	3,758,140	5,131,493	1,373,353
Autism	16,815,190	15,797,392	(1,017,798)
Support Services	26,595,305	28,532,847	1,937,542
DD Waiver	454,725,823	456,557,976	1,832,153
Subtotal - Waiver Services	586,266,875	599,854,234	13,587,360
DDRS Targeted Case Management	17,969,842	18,261,467	291,625
ARCH - Aging and MRO	4,122,436	4,882,226	759,790
ICF/MR			
Small Group Homes	263,007,132	267,316,491	4,309,358
Large Private Facilities	17,926,774	17,644,985	(281,788)
State ICF/MR (without Fort Wayne)	22,990,878	23,767,194	776,316
Fort Wayne	0	0	0
Muscatatuck	0	0	0
Inpatient Psychiatric	31,615,311	34,065,163	2,449,852
Mental Health Rehabilitation			
RBMG	70,412,649	84,505,139	14,092,490
Traditional	187,459,168	197,217,974	9,758,805
Other Mental Health Services	25,703,475	28,720,755	3,017,280
PRTF Facility	34,349,552	34,481,728	132,177
CA - PRTF	3,084,516	5,396,558	2,312,042
Managed Care Capitation Payments			
Adult	334,283,301	340,004,304	5,721,003
Children	698,629,902	694,767,380	(3,862,522)
Mothers	112,903,658	120,518,475	7,614,817
CHIP	80,985,436	87,087,866	6,102,430
Healthy Indiana Plan			
HIP Capitation Payments	114,480,207	148,128,589	33,648,382
HIP POWER Accounts	41,347,471	38,260,911	(3,086,560)
HIP ESP Expenditures	4,274,487	15,727,785	11,453,298

Total Medicaid - Detail Summary

June-09
5 Payment Days in Month

	<i>SFY 2009 Year to Date</i>		Variance
	Actual Spent	Budget	
PCCM Admin Fees	9,404,578	14,382,730	4,978,152
State Plan Services			
Hospital Services			
Inpatient Hospital	369,438,668	376,362,964	6,924,296
Outpatient Hospital	115,187,415	135,277,955	20,090,540
Rehabilitation Facility	14,030,888	11,147,667	(2,883,219)
Non-Hospital Services			
Physician Services	121,881,521	132,712,709	10,851,187
Lab and Radiology Services	27,530,372	29,892,267	2,361,894
Other Practitioner Services	6,710,887	5,946,966	(763,922)
Clinic Services	58,213,832	54,950,445	(1,263,387)
DME/Prosthetics/Medical Supplies	87,775,723	84,399,487	(3,376,236)
Transportation	37,477,924	42,339,233	4,861,309
Other Non-Hospital	26,926,596	27,894,529	967,933
Pharmacy			
Prescribed Drugs	302,920,830	343,817,714	40,896,884
OTC Drugs	5,922,287	6,471,663	549,376
Dental Services			
RBMC	134,624,863	130,407,257	(4,217,606)
Traditional	42,044,492	43,312,679	1,268,187
Home Health Services	130,309,620	134,489,810	4,180,190
Targeted Case Management	1,713,131	2,790,947	1,077,816
First Steps	6,802,202	9,013,207	2,211,005
Subtotal - State Plan Services	1,487,491,250	1,571,227,497	83,736,247
Other Expenditures and Collections			
Medicare Buy-in Payments	163,991,307	163,725,007	(266,300)
Part D Clawback Payments	90,503,834	89,724,999	(778,835)
Pharmacy Rebates	(133,505,590)	(113,706,401)	19,799,189
TPL	(11,804,808)	(15,573,408)	(3,968,600)
CHIP II Premiums	(4,514,296)	(4,768,956)	(254,660)
MedWorks Premiums	(1,548,574)	(1,777,078)	(228,501)
Delayed Payments	0	30,000,000	30,000,000
Total - Expenditures	5,376,358,891	5,630,485,052	254,126,162
Per Enrollee			
Estimated Enrollees	967,475	954,653	(12,822)
Cost per Enrollee per Month	\$483	\$491	\$28

Total Medicaid - Division Summary

June-09

5 Payment Days in Month

(Values Illustrated in Thousands)

<i>SFY 2009 Year to Date</i>		Variance
Actual Spent	Budget	
1,485,292	1,525,266	39,975
357,088	389,464	32,375
864,889	875,066	10,177
1,749,625	1,803,901	54,276
816,143	889,164	73,020
103,322	147,624	44,302
5,376,359	5,630,485	254,126

Expenditures

Division of Aging

DMHA

DDRS

Adult and Child Services

Other OMPP Populations

Other OMPP Expenditures and Collections

Total - Expenditures

Per Enrollee

Estimated Enrollees

Cost per Enrollee per Month

967,475	954,653	(12,822)
\$463	\$491	\$28

Total Medicaid - Delivery System Summary

June-09

5 Payment Days in Month

Expenditures

Adults and Children - Hoosier Healthwise, Traditional and HIP

Adult

Children

Mothers

CHIP Programs

Healthy Indiana Plan (HIP)

Aged, Blind and Disabled - Care Select, Partials and Traditional

Care Select and Care Select Potentials

Traditional

Partials

Institutionalized Populations

ARCH - Aging and MRO

Other Expenditures and Collections

Total - Expenditures

Per Enrollee

Estimated Enrollees

Cost per Enrollee per Month

SFY 2009 Year to Date		Variance
Actual Spent	Budget	
427,224,807	431,969,134	4,744,327
995,236,834	999,111,250	3,874,416
156,652,750	167,654,026	11,001,276
119,931,465	127,090,499	7,159,034
160,102,165	202,117,285	42,015,120
1,160,541,541	1,229,643,014	69,101,472
714,031,183	761,265,765	47,234,582
4,931,055	5,324,539	393,484
1,530,262,782	1,553,803,150	23,540,369
4,122,436	4,882,226	759,790
103,321,872	147,624,165	44,302,293
5,376,358,891	5,630,485,052	254,126,162

967,475	954,653	(12,822)
\$463	\$491	\$28

Total Medicaid - Delivery System Summary

Average Per Member Per Month

June-09

5 Payment Days in Month

Expenditures

Adults and Children - Risk-based Managed Care

Adult	\$350.31	\$358.59	\$8.28
Children	\$164.46	\$173.76	\$9.30
Mothers	\$671.08	\$711.64	\$40.57
CHIP Programs	\$140.96	\$145.59	\$4.63

Adults and Children - Fee-for-Service

Adult	\$230.11	\$252.26	\$22.15
Children	\$183.39	\$194.20	\$10.81
Mothers	\$243.45	\$258.86	\$15.41
CHIP Programs	\$108.69	\$116.40	\$7.71

Adults and Children - Healthy Indiana Plan

Non-Caretakers	\$412.54	\$381.41	(\$31.13)
Caretakers	\$337.33	\$336.72	(\$0.61)
ESP	\$1,007.02	\$3,055.40	\$2,048.39

Aged, Blind and Disabled - Care Select, Partial and Traditional

Care Select and Care Select Potentials	\$1,282.47	\$1,266.96	(\$15.51)
Traditional	\$687.19	\$778.00	\$90.81
Partials	\$13.59	\$13.06	(\$0.53)

Institutionalized Populations

\$3,796.47	\$3,907.80	\$111.34
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Total - Expenditures

\$463.09	\$491.49	\$28.40
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*Note: Total Expenditures Include ARCH and Other Expenditures and Collections.

1. PMPM's exclude Other Expenditures and Collections and ARCH.

OMPP CONSOLIDATED ADMINISTRATION ACCOUNTS

SFY 2009 Year to Date

Expenditures

.1 Salaries, Wages & Fringe Benefits

.2 Communications

.3 Consulting/Outsourced Contracts

.4 Supplies/Printing

.5 Equipment/Furniture

.7 Program Admin./Direct Service Contracts

.8 In State Travel

.9 Out of State Travel

Total YTD Federal & State

Federal/State Actual	Federal/State Budget	Variance
8,074,437	9,434,131	1,359,694
163,305	537,774	374,469
123,270,465	139,254,556	15,984,091
145,542	44,425	(101,117)
218,467	136,000	(82,467)
18,490,394	7,021,771	(11,468,623)
5,056	56,552	51,496
26,915	123,600	96,685
150,394,582	156,608,809	6,214,227

NOTE:

- Federal portion of DCS and other cost allocation expenditures are charged to the OMPP fund/center. Expenditures are 100% federally reimbursed. As a result, projected year end balance is reduced to zero.
- PASSR expenditures in the amount of \$6 million (S/F) are included in OMPP Medicaid Adm.

American Recovery and Reinvestment Act of 2009 (ARRA)



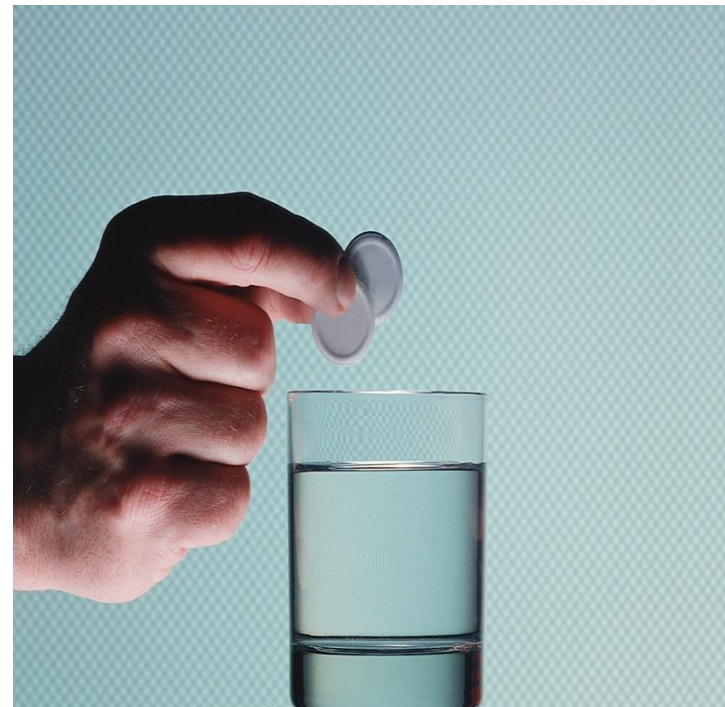
Purpose of Act:

1. To provide federal fiscal relief to the States in a period of economic turndown.
 - Economic turndown period: October 1, 2008 - December 31, 2010 (27 months)
2. To protect State Medicaid programs by averting cuts to provider payment rates and member benefits and to prevent constrictions of income eligibility requirements for such programs.

How do you spell R-E-L-I-E-F?



- Across-the-board each state is eligible for a minimum of 6.2% point increase to its current FMAP beginning October 1, 2008.
- States whose unemployment rates increase at least 1.5% points over the base quarter receive an add-on to the already increased FMAP. Indiana's unemployment rate qualifies for the top tier add-on FMAP increase.
- CMS calculates state unemployment add-on rates each quarter. (State base FMAP cannot be reduced.)
- ARRA funding is only available for States compliant with maintenance of effort (MOE) restrictions.



What Does this Mean for Indiana?



- After March 30, 2009, general fund appropriations were withheld from the Medicaid program and replaced with ARRA funding to meet the intended purpose of the act.
- In SFY09, Medicaid received \$396,180,618 in ARRA funding. Monies were used to reduce the State share of provider payments.
- The withhold of Medicaid general funds allowed the State to fund other State programs, such as Education.



Primary Maintenance of Effort (MOE) Restrictions



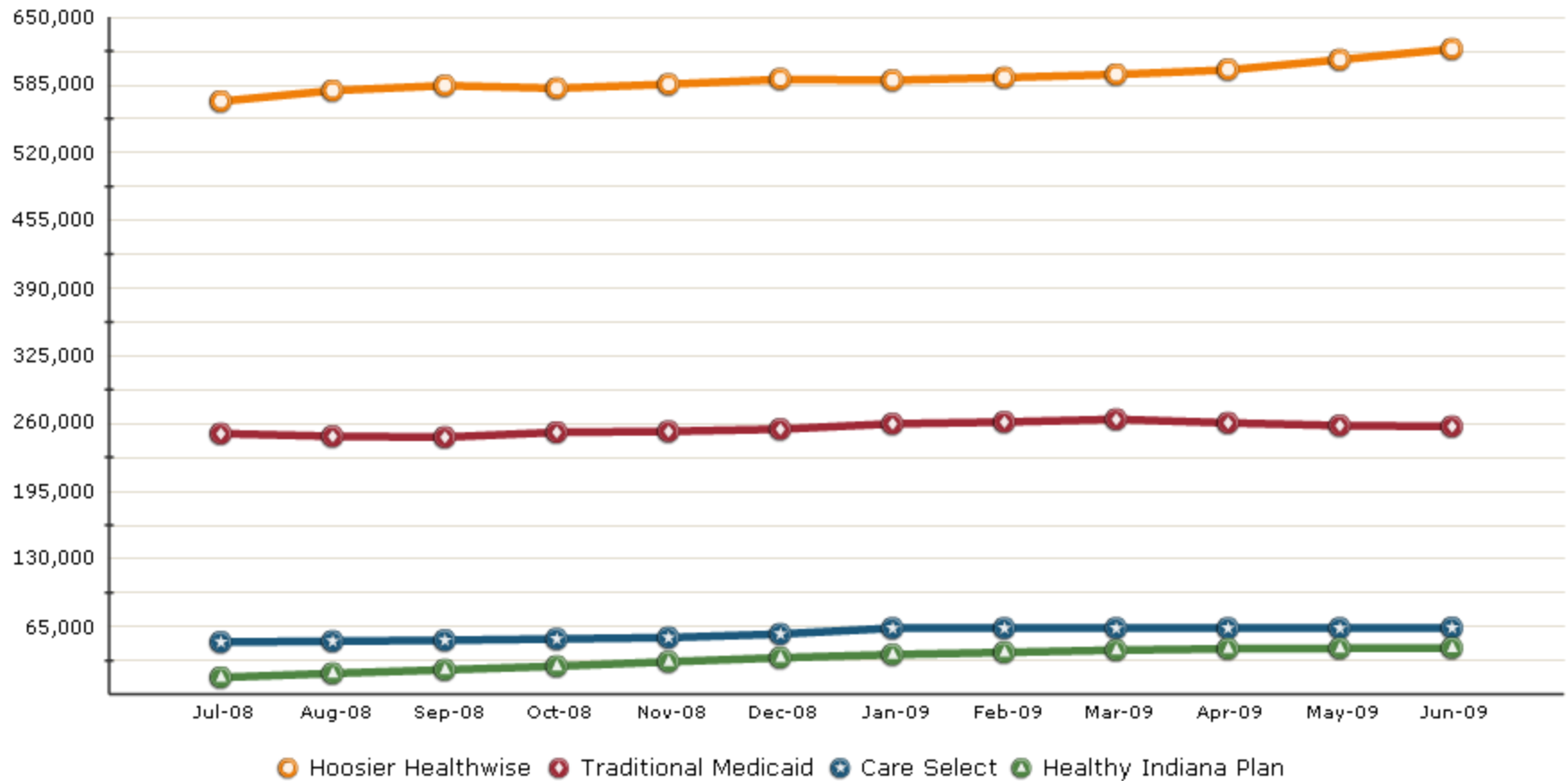
1. Existing Medicaid Programs are restricted from a change in eligibility determination or redetermination process or procedures that are more stringent or restrictive than those in effect under the State's Medicaid Program on July 1, 2008
2. Prompt Pay Provision applicable to practitioner, hospital and nursing facility provider claims require:
 - ✓ 90% of clean claims to be paid within 30 days
 - ✓ 99% paid within 90 days

Indiana Health Coverage Programs Enrollment



Indiana Health Coverage Programs

Enrollment July 2008 thru June 2009



State of Indiana
Family and Social Services Administration
Completed Enrollment through June 2009

Quarterly Financial Review



2009 Accomplishments and 2010 Goals

Outcome-Based Contracting SFY 2009 Accomplishments



- ✓ P4P linked to OMPP Strategic Plan and Vulnerable Populations
 - Implemented Performance Metrics tied to bonuses and withhold amounts in CY 2009 HHW and CS Contracts
 - Performance Metrics cross-cutting across populations
- ✓ Enforce delivery of MCO claims data
 - Tied bonus dollars to completeness of data submission

Outcome-Based Contracting

SFY 2010 Goals



- Continue P4P contracting with health plans
 - Maintain current metrics to allow members to realize benefits of implemented programs
- Require reporting and outcomes of HHW health plan Performance Improvement Programs to ensure they match State's goals

Care Select Quality Strategy SFY 2009 Accomplishments



- ✓ Completed first External Quality Review
- ✓ Formed Care Select Quality Strategy Committee
 - Focused on improving quality through initiatives and performance improvement plans
- ✓ Developed Quality Metrics tied to P4P
- ✓ Developed a pilot program for ER and Inpatient Notification

Care Select Quality Strategy

SFY 2010 Goals



- Pilot program for ER and Inpatient notification began in July 2009 with 4 hospitals
 - Will evaluate results with anticipation of statewide rollout by end of CY 2009
- Refine program and payment structure

Prenatal Care Initiatives

SFY 2009 Accomplishments



- ✓ Established Early Prenatal Care Performance Measures
 - First Trimester Visits
 - Total Visits During Pregnancy
- ✓ Data Linkage to Birth Certificate Data
 - High Risk Counties Identified
 - Premature Delivery Outcomes
- ✓ Ensure Continuity of Care for Moms and Kids
 - Statewide Rollout for HHW Open Enrollment began March 1, 2009

Prenatal Care Initiatives

SFY 2010 Goals



- Presumptive Eligibility (PE) for Pregnant Women
 - Impact of earlier access to care
- Notification of Pregnancy Form
 - Improve communication and programming
- Prenatal Care Coordination
- Study Scheduled C-Section and Inductions
- Smoking Cessation
 - Standardization of Education to Pregnant Women
 - Collaboration with Indiana Quit Line for Counseling
- Complete Open Enrollment Initiative by September 1, 2009
 - Consistency of Care Management Home

Improved Healthcare for Indiana's Children SFY 2009 Accomplishments



- ✓ Expanded SCHIP from 200% FPL to 250% FPL
 - As of July 2009 Enrollment – 3,102 Children
- ✓ Researched Policy, Authored and Submitted Rule for SCHIP Behavioral Health Expansion
- ✓ Transitioned Wards & Fosters to Care Select
 - June 2008-January 2009 Outreach and Transition
 - As of July 2009 Enrollment – 18,070

Improved Healthcare for Indiana's Children

SFY 2010 Goals



- Implement Expansion of Behavioral Health Benefits for SCHIP
 - MRO Services
 - PRTF
 - Freestanding psychiatric hospitals with more than 16 beds
 - Outpatient Services Equivalent to Medicaid Benefit
- Expand SCHIP from 250% FPL to 300% FPL
 - Expected expansion Q2 SFY 2010
 - Expected Impact - 3,500 enrolled over 24 months

EPSDT Review and Strategy Initiative

SFY 2009 Accomplishments



- ✓ Conducted gap analysis of reporting and services
- ✓ Updated criteria for EPSDT report (CMS-416), for more accurate and transparent reporting.
- ✓ Reviewed the EPSDT programming in other States, and recommended activities that could improve Indiana EPSDT program.
- ✓ Adoption of the American Association of Pediatric Dentists (AAPD) Dental Periodicity Schedule.
- ✓ Collaborative planning with Department of Child Services (DCS) to facilitate the participation of eligible children in the EPSDT Program.

EPSDT Review and Strategy Initiative

SFY 2010 Goals



- Increase % of children and adolescents receiving well-care
 - Immunizations
 - EPSDT visits
 - Appropriate referrals for follow-up care
- Update Administrative Code to reflect the use of the most up-to-date Periodicity Schedule, as published by AAP
- Develop protocol for provider adherence to in-depth physical and mental health screenings (i.e. autism)

Behavioral Health Care Quality Strategy

SFY 2009 Accomplishments



- ✓ Standardized Outpatient Mental Health Benefit across 3 health plans in Hoosier Healthwise
- ✓ Conducted a Behavioral Health Audit
- ✓ Collaborated with DMHA on Medicaid Rehabilitation Option (MRO) and Clinic Option delivery and funding review
- ✓ Drafted plan for clinic option partial hospitalization--planned implement July 2010
- ✓ Researched the barriers to integrated physical and behavioral health

Behavioral Health Care Quality Strategy

SFY 2010 Goals



- Add Behavioral Health-focused quality metrics to the HCBS waivers (at time of renewal)
- Collaborative project focused on follow-up after mental health hospitalization (CS and HHW)
- Roll-out Medicaid changes associated with DMHA Behavioral Health Transformation
- Work with DCS and juvenile justice administration re: psychological and neuropsychological testing
- Develop model for integrated physical and behavioral health

Evaluation of Disability Eligibility Policies SFY 2009 Accomplishments



- ✓ Completed Analysis, Including Costing, and Submitted Bill to Legislature
 - State was Unable to Fund, Bill Defeated

Evaluation of Disability Eligibility Policies SFY 2010 Goals



- Enhance timeliness and quality of Medical Review Team (MRT) process
 - Review MRT Processes and Procedures
 - Evaluate MRT Staffing Needs

2010 Strategic Initiatives



- Pharmacy Carve-Out: HHW and HIP
- Medicaid Management Information System (MMIS) Planning
- HIP ESP Changes
- HHW/HIP Contract Rebid
- Medical Home
- Study of Cost and Quality for Care of Dually Eligible
- Provider and Member Website Initiative

Future OMPP QFRs



- For the next three QFRs, OMPP will focus on the each program individually:
 - Care Select
 - Hoosier Healthwise
 - Healthy Indiana Plan
- A schedule of which program is being presented will be posted prior to each date on the OMPP website.

<http://www.in.gov/fssa/ompp/2659.htm>